GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5072
ANSWERED ON:20.12.2002
CAPITAL GAIN TAX
PRAVEEN RASHTRAPAL

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Reliance Industry Ltd. paid any CapitalGain Tax on the transaction involving sale of its 10% Shares of Larsen & Turbo Ltd. to M/s Grasim Industries;

(b) if so, the total amount paid;

(c) if not, the action being taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE & COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN)

(a) : As per return of income filed by Reliance IndustryLtd. for the Assessment Year 2002-03, the company had sold shares of Larsen & Turbo Ltd. for Rs.911.65 crores during the Financial Year 2001-2002.

(b): This company has paid income tax (inclusive of surcharge) of Rs. 185.82 crores for the Assessment Year 2002-2003, which includes the tax on the profits made on the sale of shares of Larsen and Turbo Ltd.

(c): The correctness of the return of income will be examined during assessment proceedings.